

BEFORE THE
POSTAL RATE COMMISSION

RECEIVED

JUN 19 5 04 PM '00

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

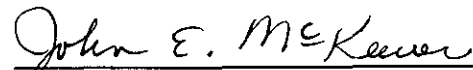
POSTAL RATE AND FEE CHANGES, 2000

DOCKET NO. R2000-1

INTERROGATORIES FROM UNITED PARCEL SERVICE
TO TIME WARNER, INC. WITNESS STRALBERG
(UPS/TW-T1-4 through 6)
(June 19, 2000)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby
files and serves the following interrogatories directed to Time Warner, Inc. witness
Stralberg: UPS/TW-T1-4 through 6.

Respectfully submitted,



John E. McKeever
William J. Pinamont
Phillip E. Wilson, Jr.
Attorneys for United Parcel Service

Piper Marbury Rudnick & Wolfe LLP
3400 Two Logan Square
18th & Arch Streets
Philadelphia, PA 19103-2762
(215) 656-3310
(215) 656-3301 (FAX)
and
1200 Nineteenth Street, NW
Washington, DC 20036-2430
(202) 861-3900

Of Counsel.

INTERROGATORIES OF UNITED PARCEL SERVICE TO
TIME WARNER, INC. WITNESS STRALBERG

UPS/TW-T1-4. On page 29, lines 2-3, of your testimony, you state, ". . . it is the mail that requires the most processing steps, generally the 'working mail,' that drives the need for high staffing levels in allied operations"

(a) In light of this statement, is it your understanding that labor costs in allied operations are determined by the volume of mail processed in direct MODS sorting operations?

(b) If your answer to (a) is yes, explain how one might causally attribute these costs to the different MODS groups and describe the information that is available to perform that attribution. If your answer to (a) is no, explain in detail the basis of your response.

UPS-TW-T1-5. On page 46, lines 8-10, of your testimony, you state, "In observing bundle sorting on SPBS machines with the Periodicals Review Team, we often saw loose pieces from broken bundles being keyed as individual pieces by SPBS operators"

(a) Is it your understanding that an intact bundle processed on an SPBS machine is likely recorded as a single piece handling in the MODS data system?

(b) If your answer to (a) is no, specify what you believe is likely to be the number of piece handlings recorded for an intact bundle sorted on an SPBS machine, and provide a range of likely numbers if you are unable to specify a single number.

(c) Confirm that over the period 1993-1998, a broken bundle sorted on an SPBS machine may well have been recorded as multiple piece handlings in the MODS

INTERROGATORIES OF UNITED PARCEL SERVICE TO
TIME WARNER, INC. WITNESS STRALBERG

data system. If you do not confirm, explain the basis of your statement on page 46, lines 8-10, quoted above.

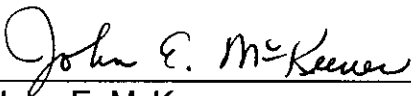
(d) Explain what you believe is likely to be the number of piece handlings associated with a broken bundle sorted on an SPBS machine, or provide a range of likely numbers if you are unable to specify a single number.

(e) Confirm that based on the MTAC data, approximately 35 percent of bundles break on SPBS machines. If you do not confirm, provide an interpretation of the data presented in the row entitled "Broken" in Table V-1 in your testimony.

UPS-TW-T1-6. Based on your understanding of bundle breakage, what is the relationship between the frequency of bundle breakage and the volume of bundles that need processing? Is it the case that: (a) bundle breakage is more likely under congested conditions; (b) bundle breakage is less likely under congested conditions; or (c) there is no relationship between bundle breakage and the degree of congestion? Explain in detail the basis for your response.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.



John E. McKeever
Attorney for United Parcel Service

Dated: June 19, 2000
Philadelphia, Pa.